opportunity to see the latest and the best in metalworking equipment all gathered in one place. As the inquiries made at IMTS turn into decisions to buy, we should see stronger orders for machine tools."

Gray went on to observe that he remains concerned that the tax legislation recently agreed upon by the House and Senate Conference Committee will adversely effect capital investment in this country. He noted, "In time it will become apparent that the capital recovery provisions represent a dangerous step backward. Investment in this nation's manufacturing industries must not be discouraged by the tax code. The technological changes demonstrated in Chicago make us increasingly aware of the rapid pace of development of new and more efficient equipment and systems. The tax code must not be a disincentive to the investment in modernization that is essential to U.S. firms keeping abreast of the rapidly changing world of manufacturing technology."

August shipments of metal cutting machine tools fell to $108.30 million from $149.10 million in July, a drop of 27.4% for the month. This figure represents a fall of 24.3% compared to shipments in August of last year. Metal forming shipments remain unchanged for the month, holding at $40.95 million. However, this represents a 43.8% drop when compared to August of 1985. Total shipments fell 21.5% for the month dropping to $149.25 million. Compared to August of 1985 shipments were down 30.9%. Year-to-date combined shipments rose from $1,528.45 million in 1985 to $1,687.60 million in 1986, a 10.4% rise.

Machine tool order backlogs for August stood at $1,510.55 million up slightly from the $1,505.55 million in July.

# # #

COMPARISON CHART

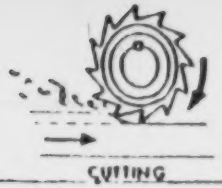
NET NEW ORDERS -- MACHINE TOOLS
(Millions of Dollars)

	METAL CUTTING			METAL FORMING			TOTAL Cutting and Forming		
	Domestic	Foreign	Total	Domestic	Foreign	Total	Domestic	Foreign	Total
AUG 1986	108.15	6.60	114.75	31.25	8.25	39.50	139.40	14.85	154.25
JUL 1986	99.25	29.55	128.80	36.05	5.15	41.20	135.30	34.70	170.00
% CHANGE									
AUG 1986:JUL 1986	+9.0	-77.7	-10.9	-13.3	+60.2	-4.1	+3.0	-57.2	-9.3
AUG 1985	115.70	15.10	130.80	46.90	6.80	53.70	162.60	21.90	184.50
% CHANGE									
AUG 1986:AUG 1985	-6.5	-56.3	-12.3	-33.4	+21.3	-26.4	-14.3	-32.2	-16.4
YEAR TO DATE 1986	1,021.30	120.40	1,141.70	360.20	38.70	398.90	1,381.50	159.10	1,540.60
YEAR TO DATE 1985	1,136.20	148.65	1,284.85	430.00	39.15	469.15	1,566.20	187.80	1,754.00
% CHANGE									
1986 : 1985	-10.1	-19.0	-11.1	-16.2	-1.1	-15.0	-11.8	-15.3	-12.2

SHIPMENTS -- MACHINE TOOLS
(Millions of Dollars)

	METAL CUTTING			METAL FORMING			TOTAL Cutting and Forming		
	Domestic	Foreign	Total	Domestic	Foreign	Total	Domestic	Foreign	Total
AUG 1986	92.35	15.95	108.30	36.90	4.05	40.95	129.25	20.00	149.25
JUL 1986	135.90	13.20	149.10	36.60	4.35	40.95	172.50	17.55	190.05
% CHANGE									
AUG 1986:JUL 1986	-32.0	+20.8	-27.4	+0.8	-6.9	+0.0	-25.1	+14.0	-21.5
AUG 1985	137.20	5.85	143.05	63.85	9.00	72.85	201.05	14.85	215.90
% CHANGE									
AUG 1986:AUG 1985	-32.7	+172.6	-24.3	-42.2	-55.0	-43.8	-35.7	+34.7	-30.9
YEAR TO DATE 1986	1,079.85	133.85	1,213.70	438.60	35.30	473.90	1,518.45	169.15	1,687.60
YEAR TO DATE 1985	925.95	84.20	1,010.15	480.75	37.55	518.30	1,406.70	121.75	1,528.45
% CHANGE									
1986 : 1985	+16.6	+59.0	+20.2	-8.8	-6.0	-8.6	+7.9	+38.9	+10.4

Source: National Machine Tool Builders' Association



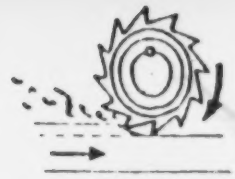
TOTAL INDUSTRY ESTIMATE
MACHINE TOOLS - CUTTING AND FORMING
New Orders, Cancellations, Shipments and Backlog
(Millions of Dollars)

DATE	NET NEW ORDERS Domestic	Foreign	Total	Order Backlog	SHIPMENTS Domestic	Foreign	Total
1985	$ 2,262.15	$ 265.95	$ 2,528.10	1,657.55	$ 2,291.45	$ 253.75	$ 2,545.20
1986							
JAN	$ 174.95	$ 15.80	$ 190.75	1,702.45	$ 124.85	$ 21.00	$ 145.85
FEB	$ 198.25	$ 12.15	$ 210.40	1,710.20	$ 185.65	$ 17.00	$ 202.65
MAR	$ 196.80	$ 17.80	$ 214.60	1,676.00	$ 219.30	$ 29.50	$ 248.80
APR	$ 169.25	$ 24.00	$ 193.25	1,659.70	$ 190.80	$ 18.75	$ 209.55
MAY	$ 177.00	$ 29.20	$ 206.20	1,636.35	$ 207.10	$ 22.45	$ 229.55
JUN	$ 190.55	$ 10.60	$ 201.15	1,525.60	$ 289.00	$ 22.90	$ 311.90
JUL	$ 135.30	$ 34.70	$ 170.00	1,505.55	$ 172.50	$ 17.55	$ 190.05
AUG (P)	$ 139.40	$ 14.85	$ 154.25	1,510.55	$ 129.25	$ 20.00	$ 149.25
8 MONTHS	$ 1,381.50	$ 159.10	$ 1,540.60		$ 1,518.45	$ 169.15	$ 1,687.60

DATE	GROSS NEW ORDERS Domestic	Foreign	Total	CANCELLATIONS Domestic	Foreign	Total
1985	$ 2,433.30	$ 282.65	$ 2,715.95	$ 171.15	$ 16.70	$ 187.85
1986						
JAN	$ 180.65	$ 17.20	$ 197.85	$ 5.70	$ 1.40	$ 7.10
FEB	$ 214.85	$ 14.65	$ 229.50	$ 16.60	$ 2.50	$ 19.10
MAR	$ 203.35	$ 18.40	$ 221.75	$ 6.55	$ .60	$ 7.15
APR	$ 181.10	$ 24.45	$ 205.55	$ 11.85	$ .45	$ 12.30
MAY	$ 183.50	$ 29.50	$ 213.00	$ 6.50	$ .30	$ 6.80
JUN	$ 215.90	$ 15.20	$ 231.10	$ 25.35	$ 4.60	$ 29.95
JUL	$ 164.25	$ 35.30	$ 199.55	$ 28.95	$ .60	$ 29.55
AUG (P)	$ 149.70	$ 15.95	$ 165.65	$ 10.30	$ 1.10	$ 11.40
8 MONTHS	$ 1,493.30	$ 170.65	$ 1,663.95	$ 111.80	$ 11.55	$ 123.35

P - Preliminary

NOTE: This table includes industry estimate figures based on reports submitted to the National Machine Tool Builders' Association. These industry estimates have not been adjusted for change in the value of the dollar.



INDUSTRY ESTIMATE
METAL CUTTING TYPE MACHINE TOOLS
New Orders, Cancellations, Shipments and Backlog
(Millions of Dollars)

DATE	NET NEW ORDERS Domestic	Foreign	Total	Order Backlog	SHIPMENTS Domestic	Foreign	Total
1985	$ 1,652.15	$ 200.95	$ 1,853.10	1,243.30	$ 1,548.50	$ 193.75	$ 1,742.25
1986							
JAN	$ 124.75	$ 10.25	$ 135.00	1,286.80	$ 74.05	$ 17.45	$ 91.50
FEB	$ 160.65	$ 7.95	$ 168.60	1,331.50	$ 109.50	$ 14.40	$ 123.90
MAR	$ 146.05	$ 13.85	$ 159.90	1,319.85	$ 148.20	$ 23.35	$ 171.55
APR	$ 118.30	$ 17.85	$ 136.15	1,303.90	$ 140.05	$ 12.05	$ 152.10
MAY	$ 118.50	$ 23.20	$ 141.70	1,273.15	$ 153.10	$ 19.35	$ 172.45
JUN	$ 145.65	$ 11.15	$ 156.80	1,185.15	$ 226.70	$ 18.10	$ 244.80
JUL	$ 99.25	$ 29.55	$ 128.80	1,164.85	$ 135.90	$ 13.20	$ 149.10
AUG (P)	$ 108.15	$ 6.60	$ 114.75	1,171.30	$ 92.35	$ 15.95	$ 108.30
8 MONTHS	$ 1,021.30	$ 120.40	$ 1,141.70		$ 1,079.85	$ 133.85	$ 1,213.70

DATE	GROSS NEW ORDERS Domestic	Foreign	Total	CANCELLATIONS Domestic	Foreign	Total
1985	$ 1,769.20	$ 213.45	$ 1,982.65	$ 117.05	$ 12.50	$ 129.55
1986						
JAN	$ 129.30	$ 11.45	$ 140.75	$ 4.55	$ 1.20	$ 5.75
FEB	$ 165.70	$ 9.95	$ 175.65	$ 5.05	$ 2.00	$ 7.05
MAR	$ 150.55	$ 14.30	$ 164.85	$ 4.50	$ .45	$ 4.95
APR	$ 127.40	$ 18.25	$ 145.65	$ 9.10	$ .40	$ 9.50
MAY	$ 122.75	$ 23.45	$ 146.20	$ 4.25	$ .25	$ 4.50
JUN	$ 159.55	$ 11.95	$ 171.50	$ 13.90	$ .80	$ 14.70
JUL	$ 116.50	$ 30.10	$ 146.60	$ 17.25	$ .55	$ 17.80
AUG (P)	$ 113.90	$ 7.65	$ 121.55	$ 5.75	$ 1.05	$ 6.80
8 MONTHS	$ 1,085.65	$ 127.10	$ 1,212.75	$ 64.35	$ 6.70	$ 71.05

P - Preliminary

NOTE: This table includes industry estimate figures based on reports submitted to the National Machine Tool Builders' Association. These industry estimates have not been adjusted for change in the value of the dollar.

INDUSTRY ESTIMATE
METAL FORMING TYPE MACHINE TOOLS
New Orders, Cancellations, Shipments and Backlog
(Millions of Dollars)

DATE	NET NEW ORDERS Domestic	Foreign	Total	Order Backlog	SHIPMENTS Domestic	Foreign	Total
1985	$ 610.00	$ 65.00	$ 675.00	414.25	$ 742.95	$ 60.00	$ 802.95
1986							
JAN	$ 50.20	$ 5.55	$ 55.75	415.65	$ 50.80	$ 3.55	$ 54.35
FEB	$ 37.60	$ 4.20	$ 41.80	378.70	$ 76.15	$ 2.60	$ 78.75
MAR	$ 50.75	$ 3.95	$ 54.70	356.15	$ 71.10	$ 6.15	$ 77.25
APR	$ 50.95	$ 6.15	$ 57.10	355.80	$ 50.75	$ 6.70	$ 57.45
MAY	$ 58.50	$ 6.00	$ 64.50	363.20	$ 54.00	$ 3.10	$ 57.10
JUN	$ 44.90	$ -.55	$ 44.35	340.45	$ 62.30	$ 4.80	$ 67.10
JUL	$ 36.05	$ 5.15	$ 41.20	340.70	$ 36.60	$ 4.35	$ 40.95
AUG (P)	$ 31.25	$ 8.25	$ 39.50	339.25	$ 36.90	$ 4.05	$ 40.95
8 MONTHS	$ 360.20	$ 38.70	$ 398.90		$ 438.60	$ 35.30	$ 473.90

DATE	GROSS NEW ORDERS Domestic	Foreign	Total	CANCELLATIONS Domestic	Foreign	Total
1985	$ 664.10	$ 69.20	$ 733.30	$ 54.10	$ 4.20	$ 58.30
1986						
JAN	$ 51.35	$ 5.75	$ 57.10	$ 1.15	$ .20	$ 1.35
FEB	$ 49.15	$ 4.70	$ 53.85	$ 11.55	$ .50	$ 12.05
MAR	$ 52.80	$ 4.10	$ 56.90	$ 2.05	$ .15	$ 2.20
APR	$ 53.70	$ 6.20	$ 59.90	$ 2.75	$ .05	$ 2.80
MAY	$ 60.75	$ 6.05	$ 66.80	$ 2.25	$ .05	$ 2.30
JUN	$ 56.35	$ 3.25	$ 59.60	$ 11.45	$ 3.80	$ 15.25
JUL	$ 47.75	$ 5.20	$ 52.95	$ 11.70	$ .05	$ 11.75
AUG (P)	$ 35.80	$ 8.30	$ 44.10	$ 4.55	$ .05	$ 4.60
8 MONTHS	$ 407.65	$ 43.55	$ 451.20	$ 47.45	$ 4.85	$ 52.30

P - Preliminary

NOTE: This table includes industry estimate figures based on reports submitted to the National Machine Tool Builders' Association. These industry estimates have not been adjusted for change in the value of the dollar.